

Poverty & Equity Brief

October 2025

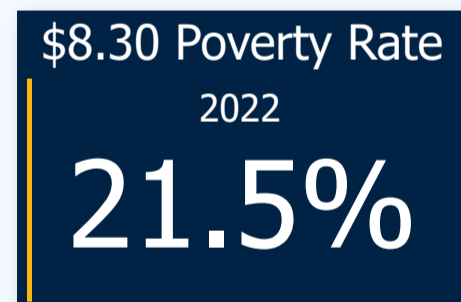
VIET NAM

Vietnam's transformation into a dynamic, modern economy ranks among the most striking development stories of recent decades. Over the past 30 years, GDP per capita has surged more than fourfold, from \$596 (in 2015 USD) in 1984 to \$4,018 by 2024. Household income from wages has tripled over this period, and while poverty rates have fallen, inequality has remained largely stable. Key drivers of this success include the Doi Moi economic reforms, a youthful workforce, and robust foreign demand. Together, these factors propelled decades of growth and steadily rising living standards. Yet, formidable challenges remain.

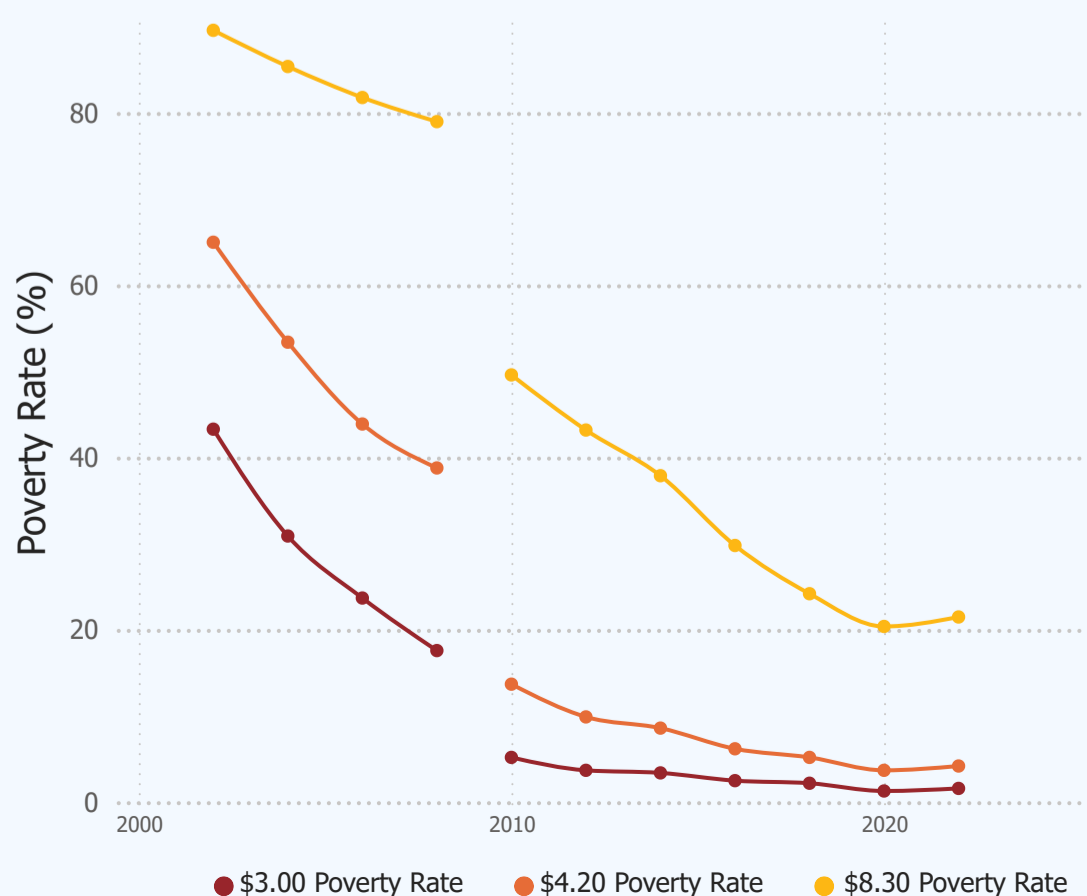
The number of people living in poverty since 2010 has fallen by more than 10 million, according to the World Bank's Lower Middle-Income Country (LMIC) poverty line of \$4.20 per day (2021 PPP). But the aftermath of COVID-19 has proved stubbornly disruptive. Between 2020 and 2022, the poverty rate edged up from 3.7 percent to 4.2 percent under the LMIC measure, and from 20.4 percent to 21.5 percent under the Upper Middle-Income Country (UMIC) line of \$8.3 per day (2021 PPP). During the same period, the prosperity gap—a measure of consumption shortfall among the poor—widened slightly from 2.5 to 2.6. The delayed impact of the pandemic, which affected the region in 2021, hit labor incomes and household consumption leading to a slight increase in poverty, but it is expected that by 2024, labor markets and wages will have fully recovered.

By 2024 the labor market has regained momentum. Real wages grew by nearly 10 percent between 2022 and 2024, with the largest gains in the services sector (LFS–NSO estimates). These improvements, coupled with easing inflation and strong GDP growth, are expected to have contributed to a decline in the poverty rate between 2023 and 2024. Still, progress has not been uniform. The Mekong Delta region, for instance, experienced a significant post-pandemic loss in living standards, raising questions about whether this was a temporary setback or a deeper structural issue—something that only new household survey data will clarify.

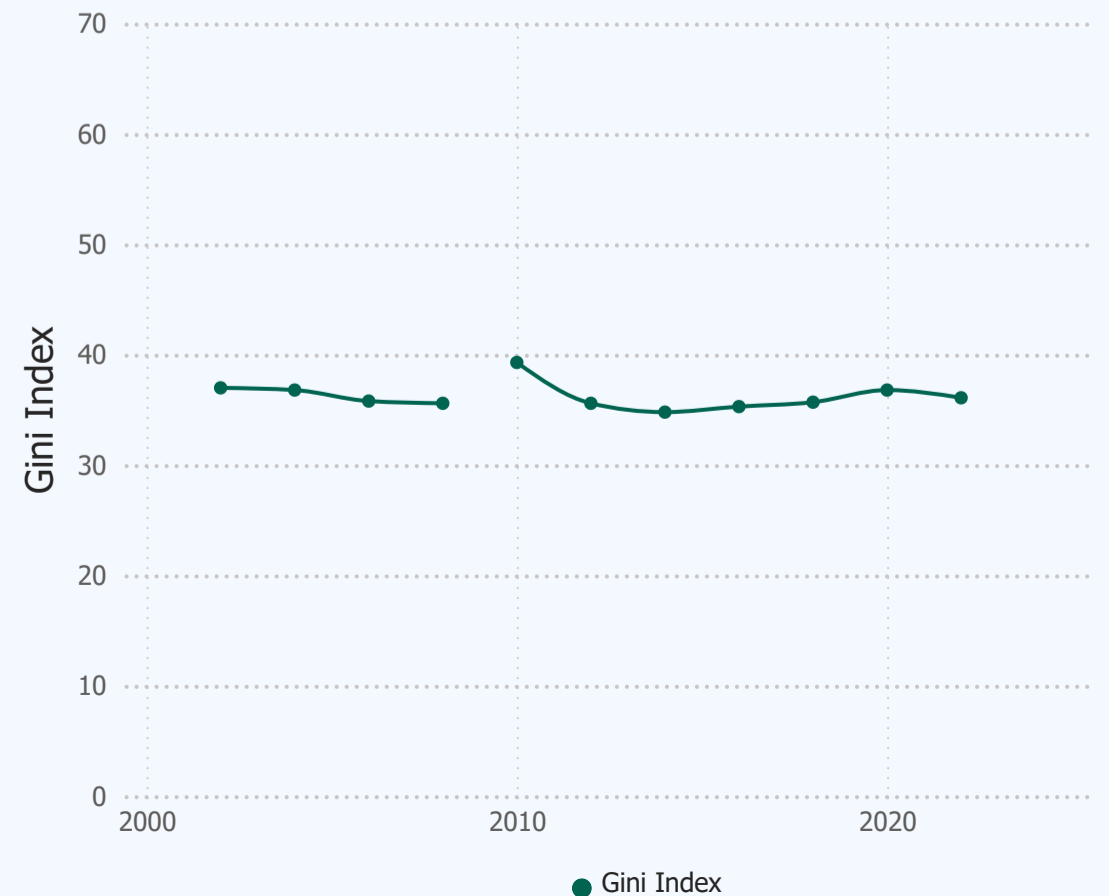
Looking ahead, the challenge is not merely eradicating poverty but addressing the economic insecurity faced by millions of households vulnerable to labor informality, climate shocks, and uncertain pathways to middle-class stability.



Poverty Rate



Inequality



Poverty at Different Lines

Poverty Line	Number of Poor (Thousands)	Rate (%)	Year
International Poverty Line (\$3.00/day)	1,598.2	1.6	2022
Lower Middle Income Class Poverty Line (\$4.20/day)	4,150.4	4.2	2022
Upper Middle Income Class Poverty Line (\$8.30/day)	21,434.5	21.5	2022
Multidimensional Poverty Measure		1.9	2022

Group and Multidimensional Poverty

Poverty by Group	Poverty Rate (%)	Multidimensional Poverty Components	(% of Pop.)
Urban population	10.4	Daily income less than US\$3.00 per person	1.6
Rural population	28.6	At least one school-aged child is not enrolled in school	1.8
Males	21.6	No adult has completed primary education	3.4
Females	21.5	No access to limited-standard drinking water	2.0
0 to 14 years old	28.9	No access to limited-standard sanitation	4.1
15 to 64 years old	19.0	No access to electricity	0.1
65 and older	20.1		
Without education (16+)	55.6		
Primary education (16+)	28.1		
Secondary education (16+)	15.5		
Tertiary/post-secondary education (16+)	4.0		

Note:

N/A denotes a missing/removed value, while N/A* refers to a value which was removed due to having fewer than 30 observations.

The rates in the Poverty by Group table above are shown at the \$8.30 upper-middle income line.

Data for the Poverty by Group table is derived from a 2022 survey and data for the Multidimensional Poverty Components table is derived from a 2022 survey.

Poverty Data & Methodology

The primary source of poverty data is the Viet Nam Household Living Standards Survey (VHLSS). The first VHLSS was collected in 1993. In recent years, expenditure is collected every two years, and income is collected annually. Poverty is monitored by the Government of Viet Nam using a multi-dimensional approach, including ten non-monetary dimensions and one monetary dimension based on income. The monetary dimension has separate thresholds for urban and rural areas. Poverty rates based on World Bank international poverty lines are based on household expenditure per capita. National CPI is used to inflate (deflate) the 2021 PPP-based poverty line into the survey-year prices. The National Statistics Office publishes inequality based on household income, while the World Bank calculates inequality based on household expenditure per capita.

Harmonization

The numbers presented in this brief are based on the EAPPOV database. EAPPOV is a database of socio-economic statistics constructed using microdata from household surveys in the East Asia and the Pacific (EAP) region and is managed by the East Asia & Pacific Team for Statistical Development (EAPSTD). As of October 2025, the collection includes 21 countries and 133 surveys. Harmonized surveys in the EAPPOV database are compiled into 4 modules following Global Monitoring Database (GMD) Harmonization guidelines. A subset of the harmonized variables forms the basis of the GMD collection, including the welfare aggregates which is used for Global Poverty Monitoring. Terms of use of the data adhere to agreements with the original data producers.